

City of Indianapolis

Building Strong Communities

Creating Employment
Opportunities

Ending Homelessness

DRAFT

2004 Annual Action Plan

October 15, 2003

Executive Summary



The *2000-2004 Consolidated Plan* not only addresses the most prevalent housing and community development needs for the City of Indianapolis, but also establishes goals to be accomplished through the use of four U.S. Department of Housing and Urban Development (HUD) entitlement programs. Administered by the Department of Metropolitan Development, these funding opportunities include the Community Development Block Grant (CDBG); the Home Investment Partnerships Program (HOME); the Emergency Shelter Grant (ESG) and the Housing Opportunities for Persons with AIDS Program (HOPWA). The *Consolidated Plan* is updated each year through an *Annual Action Plan* that identifies the City's implementation and administration plans for these sources of federal funding.

In 2004, the City anticipates receiving approximately \$17.3 million for these four programs. This *2004 Action Plan* presents the City's strategy for granting entitlement dollars to activities that support the achievement of goals proposed in the *2000-2004 Consolidated Plan*. The table below highlights these goals and estimates the accomplishments to be reached through the performance of proposed activities.

<u>Goal</u>	<u>Strategies</u>	<u>2004 Benchmarks</u>	<u>2004 Proposed Investment</u>
Preserve Homeownership	<ul style="list-style-type: none"> Rehabilitate owner-occupied homes 	<ul style="list-style-type: none"> 250 units repaired 	\$2,928,375
Increase Homeownership	<ul style="list-style-type: none"> Acquire and rehabilitate units for sale Create new units for sale Provide direct homeownership assistance 	<ul style="list-style-type: none"> 18 units rehabilitated 23 units created 163 homebuyers assisted 	\$3,227,000
Increase Supply of Viable Rental Housing	<ul style="list-style-type: none"> Rehabilitate multi-family rental housing. Provide gap financing for low-income housing tax credit projects. 	<ul style="list-style-type: none"> 80 rental units rehabilitated/created 	\$732,500
Eliminate Unsafe Buildings & Sites	<ul style="list-style-type: none"> Improve, demolish and / or secure unsafe buildings. 	<ul style="list-style-type: none"> 3,500 buildings/ sites addresses 	\$2,238,300
Support Capital & Enterprise Development	<ul style="list-style-type: none"> Support economic development initiatives. 	<ul style="list-style-type: none"> 75 jobs created 	\$1,562,695
Aid Supportive Service Activities	<ul style="list-style-type: none"> Assist organizations providing senior, youth, employment, and other supportive services. 	<ul style="list-style-type: none"> 5,500 people served 	\$1,596,530
Support Special Needs Housing	<ul style="list-style-type: none"> Provide operating and rehabilitation assistance for homeless facilities. Provide short-term rent and utility assistance. 	<ul style="list-style-type: none"> 9,000 people served 750 individuals assisted 	\$989,370
Support Neighborhood Empowerment	<ul style="list-style-type: none"> Provide capacity building assistance to neighborhood organizations in targeted areas. 	<ul style="list-style-type: none"> Provide technical assistance and training to neighborhood groups 	\$50,000

The *2000-2004 Consolidated Plan* groups these goals and strategies into two major themes for community development in Indianapolis: building stronger neighborhoods and family self-sufficiency. These issues are associated with the City's efforts to preserve and increase homeownership, create affordable rental units, address unsafe buildings, support neighborhood revitalization and increase supportive services to foster economic independence.

Building Stronger Neighborhoods

Housing continues to be the highest priority for each of these entitlement programs. In 2004, the City will invest more than \$3.3 million in housing activities that provide homeowner repair, create new homeownership opportunities and construct or rehabilitate affordable rental housing. Many of these goals will be primarily achieved through the efforts of Community Development Corporations (CDC).

This *Plan* includes more than \$2.9 million to provide repairs to housing units owned and occupied by households earning less than 80 percent of the area median family income (MFI). CDBG dollars will help fund projects that will ensure individuals, particularly the low or fixed-income elderly, are able to remain in their own homes, such as roof replacement, new furnace installation, window replacement and other necessary repairs to maintain suitable living conditions for Indianapolis-area residents.

Creating new homeownership opportunities is another strategy to build stronger neighborhoods. In 2004, CDC's will receive HOME funds to build new homes as well as acquire and rehabilitate approximately 12 vacant structures to be sold to low-income families. The City will also continue its efforts in Fall Creek Place, with the addition of 113 new homeownership opportunities. Both CDBG and HOME funds will be awarded to the Indianapolis Neighborhood Housing Partnership (INHP) to provide direct homeownership assistance (i.e. down payment assistance or mortgage subsidy) to 50 low-income homebuyers.

The *2000-2004 Consolidated Plan* identifies affordable rental housing for extremely low-income families as a high priority. To address this need, the City will invest more than \$1.8 million of HOME funds to create new affordable rental units in conjunction with the *Blueprint to End Homelessness* initiative. Additionally, the City will provide funding to promote economic development, encourage neighborhood empowerment programs and address vacant and unsafe structures.

Family Self-Sufficiency

While creating and maintaining quality affordable housing remains the cornerstone of the City's strategy to build strong neighborhoods, other services to increase opportunities for individuals and families to reach a higher level of self-sufficiency are also needed. In 2004, a variety of activities promoting self-sufficiency will be undertaken including job readiness, placement, and retention services; senior and youth services and support services for the homeless and special needs populations. These activities will be implemented as part of a necessary holistic approach to provide Indianapolis residents the resources they need to thrive both socially and economically.

In 2004, approximately \$989,000 will be invested to help assist families and individuals in attaining services to become more self-sufficient. Proposed activities will be concentrated in areas exhibiting the greatest need. The City will collaborate with grass-roots level organizations working in distressed neighborhoods to achieve the largest community impact possible by using allocated funding to leverage other public and private resources.

An important new part of the City's plan to achieve these goals is the *Blueprint to End Homelessness*. Created by a broad-based coalition of groups and individuals with expertise and interest in the issue of homelessness, this document helps lay out a strategic plan to end the cycle of homelessness in Indianapolis and provide much needed services to the very poor.

Introduction



The *2001-2004 Consolidated Plan* identifies the housing and community development needs for the City of Indianapolis as well as a strategy by which those needs may be addressed. The purpose of this *Annual Action Plan* is to describe how the City will continue to work within and refine this strategy in 2004, the final year of its five-year *Consolidated Plan*.

The *Consolidated Plan* identifies the City's commitment to:

“Build strong, accessible, healthy neighborhoods with safe streets and thriving economies so that all individuals and their families have an opportunity to attain and maintain, to the best of their abilities, independent, self-sufficient lives.”

This mission will be performed in part by an award of \$17.3 million in funding from the four U.S. Department of Housing and Urban Development entitlement programs detailed below:

PROGRAM	PRIORITIES
Community Development Block Grant (CDBG)	Supply decent housing, secure a suitable living environment, and expand economic opportunities for individuals earning 80% or less of median family income (MFI).
Home Investment Partnerships Program (HOME)	Expand the availability of decent, affordable housing for individuals earning 80% or less of MFI.
Emergency Shelter Grant (ESG)	Provide essential supportive services, homeless prevention activities, and support for area shelters with operating and rehabilitation funds.
Housing Opportunities for Persons with AIDS (HOPWA)	Provide housing assistance and supportive services persons with HIV/AIDS and their families in order to prevent homelessness.

Together, these programs represent some of the City's primary resources to preserve and increase quality affordable housing, provide services to individuals and families in need and strengthen economic and workforce development. In recognizing the importance of community involvement in making decisions regarding community development in Indianapolis neighborhoods, the City invited the public to help shape this *Annual Action Plan* by participating in public forums and completing community development surveys to solicit input and gauge neighborhood need.

After obtaining and summarizing feedback from 483 citizens, the City released an application and requested proposals from agencies seeking funding under the four entitlement programs. Based on public input and keeping with the mission of the five-year *Consolidated Plan*, the City, through its Department of Metropolitan Development, selected projects best suited to perform activities from 121 applicants requesting more than \$22.6 million of funding. Those activities recommended for funding through the CDBG, HOME, ESG, and HOPWA programs for 2004 are included in this *Annual Action Plan*.

In addition detailing activities the City will undertake within the next year to address important community issues, the *Annual Action Plan* will also help the City reach goals set fourth in the *2000-2004 Consolidated Plan*. The *Plan* will also evoke the importance of public involvement in the allocation of federal funding to community projects and programs.

Community Profile



Demographics

The Consolidated Plan covers the area designated as the “Consolidated City of Indianapolis,” essentially all of Marion County with the exception of the cities of Beech Grove, Lawrence, Southport and Speedway. 2000 Census data estimates the Marion County population to be 860,454. Slightly more than three percent of these residents are classified as Hispanic/Latino. The most rapidly increasing segment of the City’s population, this group has seen a 300 percent jump in numbers over the past ten years. Similarly, the elderly now make up 11.1 percent of Indianapolis residents, a number reflecting the national trend of a growing number of older adults. Both the Hispanic/Latino and elderly populations have been identified as groups in need of special services. With the makeup of the Indianapolis community changing so rapidly, the City will work to ensure that services are available to all special needs populations through activities identified in the *2004 Annual Action Plan*.

The 2003 fiscal year median family income (MFI) for a four-person household in the Indianapolis Metropolitan Statistical Area (MSA) was \$62,900. This figure represents a \$1,200 decrease from 2002 MFI data. Used to determine the income eligibility for persons who receive assistance through federal entitlement programs, MFI is calculated according to household size and is derived from Census data. These figures are updated annually through a compilation of local Bureau of Labor statistics and Census Divisional data.

Neighborhoods in Need

The Consolidated Plan details the City’s strategy to “build a world-class city, one neighborhood at a time.” The process begins first by identifying Indianapolis’ most distressed and at-risk neighborhoods. After a determination is made as to what actions and services are most needed to improve the quality of life for area residents, funding and other assistance is provided to community organizations to address the needs of residents.

Through the City’s neighborhood surveys, residents identified both development of affordable housing and preservation/rehabilitation of existing units as issues of high priority. In 2004, the City of Indianapolis will use entitlement funds and other competitive funding to assist in these efforts. Other projects to receive funding in 2004 address commercial redevelopment, economic development in at-risk areas, workforce development, youth and senior services and initiatives to reduce the effects of lead-based paint in the housing stock. Much of this vital, community-level work will be conducted by organizations the neighborhoods themselves have created and empowered; Community Development Corporations, neighborhood organizations and coalitions, community centers and local service providers. Funding provided to these entities will be invested in rebuilding and strengthening the fabric of Indianapolis’ most distressed communities.

Housing



Barriers to Affordable Housing

The three most prevalent impediments to affordable housing in Indianapolis are 1) high costs associated with the development of affordable housing; 2) decreased availability of affordable housing units and 3) poor credit history. In 2004, CDBG, HOME, and HUD McKinney funds will be used to address each of these challenges.

For many, the high costs associated with developing and operating affordable housing continues to be a challenge. The *2000-2004 Consolidated Plan* identifies affordable rental housing for families with incomes less than 50 percent MFI as a high priority. The *2004 Annual Action Plan* targets \$700,000 of HOME funds to create affordable rental housing for families earning less than 60 percent MFI. The City also applied for funding through the 2003 Collaborative Notice of Funding Availability from HUD, the U.S. Department of Health and Human Services and the U.S. Department of Veterans Affairs. This new funding would help support the operations (rents) of 40 rental units for persons with incomes at or below 30 percent MFI and provide supportive services to assist this population. The City will continue to seek additional funding sources in 2004 and work with developers to reduce the associated costs of creating and operating affordable rental housing.

Another obstacle is the lack of units classified as “affordable.” Research suggests that individuals should pay no more than 30 percent of their income for housing related costs. According to the Indianapolis Homeless Count and Survey, more than 54,400 Marion County residents spend more than half of their monthly income on housing. Many times, families are faced with numerous issues that affect their self-sufficiency. In an effort to address this concern, the City awarded HOME funds to the Coalition for Homelessness Intervention and Prevention (CHIP) for the administration of a Tenant-Based Rental Assistance Program. Because families enrolled in these programs are provided temporary rental assistance, they are better able to address issues that may impede their ability to realize economic independence (i.e. job training, childcare, and education.) Implementation of this program began in 2002 and will continue in 2004. The City will also award \$380,000 to the Indianapolis Neighborhood Housing Partnership (INHP) to provide direct homeownership assistance to low-income homebuyers. These funds can be used for down payment assistance, closing cost assistance or as a direct mortgage subsidy, all of which help to increase the affordability of Marion County housing for homeownership.

A poor credit history can also make affordable housing difficult to obtain. INHP offers short-term housing counseling for persons faced with such issues who are interested in buying a home. To expand these services, \$40,000 of CDBG funds will be awarded to the Family Service Association of Central Indiana (FSA) to provide long-term credit counseling and homeownership training to prospective homeowners with more complex credit concerns. Each of these organizations is open to all persons interested in purchasing or renting Marion County housing.

Foster and Maintain Affordable Housing

The *2000-2004 Consolidated Plan* identifies the following goals to promote and maintain affordable housing:

- Preserve homeownership
- Increase homeownership
- Increase the supply of affordable rental housing
- Support special needs housing

In 2004, the City plans to invest approximately \$6.9 million to achieve these goals. Nearly \$3 million of CDBG funds will be awarded to provide repairs to homes owned and occupied by low-income residents. Homeowners unable to afford necessary repairs are, in many cases, faced with losing their homes. Since homeowners are the primary stakeholders in Indianapolis neighborhoods, homeownership preservation has been identified as a high priority.

The second housing-related goal is to increase homeownership. This will be achieved by acquiring and rehabilitating vacant homes, building new homes and providing direct homeownership assistance. The City will invest \$360,000 in HOME dollars to help fund affordable housing projects totaling \$2.5 million in 2004. These funds will leverage financing for the acquisition and rehabilitation of 20 vacant units to be sold to low-income households. Another \$544,000 in HOME funds will help to leverage new construction projects totaling more than \$2.4 million for the creation of 23 new units. The City will continue its efforts to support and promote affordable homeownership through direct assistance programs for low-income homebuyers. This direct funding can come in the form of down payment assistance, closing cost assistance, or mortgage subsidy. The City will also continue to invest in its federally designated Homeownership Zone, *Fall Creek Place* in 2004. A commitment of more than \$1.9 million in HOME and CDBG funding will be made (*specifically for assistance with down payment and closing costs*) for 57 families in *Fall Creek Place*. The City's sub-recipient, INHP, will contract to provide homeownership training and homebuyer assistance to a minimum of 50 Marion County families.

The goal to increase affordable rental housing will be rigorously pursued through the investment of \$3.1 million in HOME funds for the creation of 210 units. 145 of these residences will be designated for individuals with special needs, disabilities and the elderly. To support the creation of housing for those with special needs, the City awarded \$300,000 in HOME dollars to Partners In Housing for the development of the Colonial Linwood Apartments in 2003. Consisting of 106 special needs units for residents at or below 30 percent MFI, the project was awarded Low Income Housing Tax Credits that same year. In 2004 the City will realize its obligation to the project by contributing another \$1.5 million.

Lead-based Paint

Safe, decent, affordable housing is the City's number one priority, as evidenced by the *Consolidated Plan*. One obstacle to fully attaining this goal is the presence of lead-based paint (LBP) in Indianapolis' housing stock. Activities to eradicate LBP, however, are helping to correct this impediment. The 1998 Analysis of Impediments to Fair Housing (AI) states that LBP hazards restrict the housing market for families with young children, particularly in Center Township. Since many families in effected areas have limited financial resources, their housing options are even further restricted.

For 2004, the City of Indianapolis has been awarded more than \$1.75 million from HUD through a Lead Hazard Control Grant (LHCG). Targeted to end the problem of LBP and related health concerns in low-income neighborhoods, this funding has been earmarked to make 180 owner-occupied, vacant and low-income rental units free of LBP hazard over the next three years. The overall strategy of the plan is to use LHCG dollars to increase the amount of lead-safe, pre-1978 housing stock targeted towards low-income families by centralizing the services of existing construction, rehabilitation, acquisition, and educational outreach activities. These efforts will also be useful in decreasing the number of children affected by elevated blood levels (Eblls).

According to 2000 Census data, more than 63,000 children age five and younger reside in Marion County. Of the nine Marion County townships, Center Township (the target area for LHCG activities) was found to have the highest number of children in this age range. This area was also found to have the highest concentration of children in families with an annual household income of less than \$15,000. In 2001, the Marion County Health Department screened 6,126 children and found 432 (7 percent) with blood lead levels over 10ug/dL (10 micrograms per deciliter of blood). In Center Township, of 914 children tested, 117 (13 percent) had blood lead levels over 10ug/dL.

Additionally in 2004, the City, in partnership with the Indianapolis Healthy Homes Network, is requesting \$3.5 million from HUD through the Lead Hazard Reduction Demonstration Grant Program (LHRDG) to further address LBP hazards in Indianapolis' low-income rental stock.

In all of Marion County there are currently more than 19,000 renter-occupied units constructed before 1940. Most of these units are located in lower-economic areas of Center Township and house residents whose incomes are below 80 percent MFI. On average, the condition of those units is judged to be poor. A "Poor" rating reflects that the overall condition of the unit is in a state of rapid decline (i.e. visible peeling or defective paint, roofing shingles reaching the end of their effective life span, damage to gutters, windows, doors and other components.)

The City will contract with Community Action of Greater Indianapolis (CAGI) to provide lead hazard reduction assistance to Section-8 and other low-income rental unit landlords in coordination with their DOE-grant funded weatherization program. Indianapolis Housing Agency (IHA) will provide direct assistance to these landlords to address both weatherization and lead-paint hazards. Enrollment in the program will be

based on the same criteria established for the weatherization program. Where necessary, LHRDG funds will be used to perform necessary low-level rehabilitation associated with lead paint. Additionally, if testing by the Marion County Health Department (MCHD) determines a lead-poisoned child under age six in a unit not covered by another lead activity, that unit will move to the top of the CAGI work list (assuming the unit meets income requirements). LHRDG funds will then be used to address that child's housing issues. The infrastructure for testing and outreach by MCHD has been previously developed under the LHCG program. This will allow for expanded coverage into all areas in Marion County. Activities will exclusively focus on low-income rental units, housing found to have the most incidences of children exposed to lead.

Special Needs



The Consolidated Plan identifies several populations as having special needs. These groups include the homeless, the mentally ill, the physically and developmentally disabled, the elderly and persons suffering from HIV/AIDS. Because many of these individuals face a combination of problems, a holistic and coordinated approach to providing care is needed. The CDBG, HOME, ESG, and HOPWA programs are all a part of the effort to address the needs of these individuals. Shelters, special needs housing, transitional housing and a wide variety of other issue-specific services are funded through these grant programs to support a continuum of care that helps special needs members of the community initiate and sustain a path to self sufficiency.

Homelessness

Many homeless individuals and families face an array of both internal and external issues that lessen their ability to obtain and sustain mainstream housing. Internal barriers include addiction and substance abuse, mental illness and educational issues, among others. When these problems are coupled with external barriers such as the lack of job training, domestic violence, lack of transportation, difficult access to childcare and a lack of affordable housing, a spiraling cycle of hopelessness and homelessness can occur.

In April 2002, the Coalition for Homelessness Intervention and Prevention (CHIP) released the City of Indianapolis' *Blueprint to End Homelessness*. A comprehensive 10-year plan, the *Blueprint* identifies five strategies the City must implement in order to obliterate homelessness in Indianapolis over the next decade:

Strategy One: *Address Housing Needs.* Create 1,700 units over the next 10-year period through new construction, rehabilitation, and the preservation of existing units for the 0-30 percent MFI population.

Strategy Two: *Prevent Homelessness.* Seek to increase homelessness prevention activities to ensure that individuals who are currently housed remain housed. Implement employment assistance, housing subsidies and other services to help prevent individuals and families from becoming homeless.

Strategy Three: *Improve Access and Coordination of Housing and Services.* Aim to achieve the coordination of housing and services through a well-structured, strengths-based case management approach. Provide information and referral assistance and 24-hour access to housing and services. Improve coordination of street outreach. Create wet shelters to provide prompt access to treatment for individuals who are publicly intoxicated. Improve access to transportation and services for non-English speaking individuals. Help families access subsidized childcare and improve access to housing.

Strategy Four: *Enhance Services.* Ensure a continuum of employment services to help the homeless reach economic independence. Improve services for homeless persons with

mental illness and substance abuse issues. Assist shelters and day service centers in meeting the needs of the homeless. Improve educational services to youth. Enhance availability of legal services.

Strategy Five: *Coordinate Services for Special Populations.* Better coordinate service systems, housing, shelter and service delivery to veterans, victims of domestic abuse, children and young adults.

The *Blueprint* estimates that some 3,500 individuals, including children, are homeless on any given night in Indianapolis. Through the use of ESG, SHP and HOPWA grants, the City is able to assist homeless individuals in getting the help and support they need to become self-sufficient.

In 2004, the City will use more than \$350,000 in ESG funds to provide essential services, homelessness prevention and operating support to nine homeless shelters. Services provided by these organizations range from street-level outreach for the hardest to serve populations, to short-term shelters that provide case management and linkages to needed services like detoxification and mental health counseling. The majority of ESG money is targeted towards basic operating expenses for these facilities, but a percentage is also available to help provide essential services and homelessness prevention services. Special outreach services to Indianapolis' burgeoning Hispanic homeless population as well as mass transit tickets for low-income and homeless individuals to improve access to services and employment will also continue to be provided.

Working in conjunction with ESG support funding, the City will use CDBG dollars at the front end of the homelessness cycle, preventing homelessness by providing homeowner repair services to low-income, at-risk persons. CDBG funds will also be used for credit counseling services, rent or utility assistance and the creation of more low-income, affordable housing options. Services to other special needs populations, including the frail and elderly, people with disabilities and homeless youth, will also be supported.

Approximately \$600,000 of HOPWA funds will be used in 2004 to help prevent and alleviate the problems of homelessness that face Indianapolis residents who suffer from HIV/AIDS. The City is able to diversify HOPWA resources during this year due to additional organizations requesting this type of funding. By doing so, the City will be able to reach a greater number of Indianapolis residents living with this disease.

Underserved Needs

In 2004, CDBG, ESG, HOME and HOPWA funds will be used to serve Indianapolis' underserved residents. Obstacles to serving these populations include the lack of supportive housing units and fragmented service delivery. Below is a summary of underserved needs as identified in the *2000-2004 Consolidated Plan* and how the City plans to respond to these needs in the coming year.

Elderly and Frail Elderly

Approximately 8,295 elderly and frail elderly households in Indianapolis are in need of housing and some type of supportive service. Addressing the needs of seniors will be achieved by awarding CDBG funds to organizations who provide a wide range of supportive services for this population, including housing repair, transportation, home-based services, counseling, social activities, wellness and exercise programs and supplemental employment.

Severely Mentally Ill

Housing subsidies in the form of supportive housing are necessary for nearly 1,380 Indianapolis households with mentally ill family members. Often times this population is in need of home-based services, financial management, advocacy, case management, medical management, transportation and daily living activities. ESG funds will be awarded to several organizations that provide services to mentally ill individuals, including homeless shelters and the Horizon House Day Center. Supportive Housing Program (SHP) funds will be used to provide transitional housing, permanent housing and supportive services for this population as well.

Developmentally Disabled

Currently there is a need for additional group housing, semi-independent living units and support services to assist 18,750 developmentally disabled individuals living in the Indianapolis Metropolitan Statistical Area. SHP and Shelter Plus Care Program funds are used to support the developmentally disabled by providing transitional or permanent housing with support services.

Physically Disabled Persons

Individuals with physical disabilities experience unique housing issues, including a lack of accessible housing and the need for funding to add accommodations that allow disabled persons to live independently. The City will continue to work with Independent Residential Living of Central Indiana Inc. (IRL) to construct new units of affordable/accessible housing for individuals with physical or cognitive disabilities. Additional funding from the SHP and Shelter Plus Care Programs will be used to provide further housing and support services for this population.

Alcohol and Other Drug Addicted Persons

Marion County service providers estimate that more than 48,000 Indianapolis residents suffer from alcohol and drug abuse. According to the *2000-2004 Consolidated Plan*, there is a need for more transitional housing with support service opportunities for individuals overcoming addiction. Supportive services for this population will be made possible through 2004 ESG funding. In addition, transitional housing facilities will continue to help this population through SHP funding.

Persons with HIV/AIDS and Related Diseases

The *Consolidated Plan* indicated that approximately 2,160 Marion County residents are infected with HIV. As of June 30, 2000, the Indiana State Department of Health reported 3,363 cases of HIV and 5,895 cases of AIDS, statewide. The epidemic has shifted steadily toward a growing proportion of cases found in African Americans, Hispanics, and women. In 2004, the Damien Center, Salvation Army Harbor Lights and the Ebenezer Foundation “Bridging the Gap” program will receive HOPWA funds to provide Tenant-Based Rental Assistance, Project Based Rental Assistance, short term housing, utility assistance and supportive services to better serve the housing needs of this population.

Anti-Poverty Strategy

In 2004, the City will continue to provide funding to various community development projects and programs designed to reduce poverty. The City has undertaken a holistic approach to homelessness and special needs as a proactive step in dealing with poverty. Designed to positively impact individual, family and neighborhood self-sufficiency, the City’s anti-poverty strategy includes economic development, workforce development, job training, services to low-income residents, special needs housing and the development and protection of affordable housing stock.

Economic Development

One of the most prevalent contributing factors to the issue of poverty is the availability of jobs with livable wages. To address this, the City will continue to focus on the Keystone Enterprise Park (KEP) project in 2004, with an investment of more than \$1.4 million in CDBG funds. The goal of KEP is to promote business and industrial growth in a formerly blighted area. With good infrastructure and access to major transportation, KEP offers numerous incentives for its tenants. In turn, residents are provided with employment opportunities and a chance for greater economic stability. Another \$150,000 in CDBG funds will be provided to the Local Initiatives Support Corporation (LISC) to help develop new business and complete business façade improvements. All of these projects will help bring much-needed financial capital, human capital and corporate investment to Indianapolis neighborhoods.

Workforce Development

The City will commit \$400,000 in CDBG funding to two community-based organizations for programs that provide workforce development and job training services to residents of at-risk areas. The aim of these programs is to assist individuals in obtaining and sustaining employment with above poverty wages. Often times, these efforts target specific groups, such as seniors, youth and citizens in need of access to education or training. The City was also awarded a collaborative, competitive grant from HUD to provide housing and assisted employment training to the homeless. The City's partner in this effort, the Indianapolis Private Industry Council (IPIC), has received \$600,000 for the employment portion of the project, while the City received \$1 million for housing.

Transportation Assistance

The City will continue to fund programs that help provide homeless and low-income individuals with transportation assistance in 2004. To help create opportunities to reach jobs that may not exist in their own communities, \$34,000 in ESG funds has been committed to provide bus ticket vouchers for the working homeless through Metro Transit. \$52,000 in CDBG funds will also be used to provide transportation and senior services for CICOA's job training programs.

Initiatives for Youth

The population of persons in Indianapolis living below the poverty line is increasing. This includes a number of children and teenagers. In order to address the needs of this very important sub-set of the at-risk population, more than \$300,000 in CDBG funds will be used by organizations such as the Bicycle Action Network and School on Wheels, for social and educational programs that help provide a support structure for young people.

Aside from ESG and CDBG, funding from the Stuart B. McKinney grants also help to strengthen and support Indianapolis' lowest-income residents. Job training, assistance for special needs individuals and transitional housing for families are just a few examples of such projects.

Implementation



Developing Institutional Structure

During 2004, the City of Indianapolis will begin to write its next *Consolidated Plan*. An outline of the City's plans for development, this 5-year plan consolidates the City's neighborhood, transportation, long range comprehensive and redevelopment plans into one document. Two DMD divisions, Community Development (CD) and Planning, will work jointly to write and implement the plan. Traditionally, a consultant has assisted with writing the plan, but this year, the City has moved that effort in-house. With two internal entities working together, it is anticipated that the newest plan will be more cohesive with plans of the past, creating a truly unified design for the future of Indianapolis.

The *2005-2009 Consolidated Plan* will also include mayoral initiatives such as the *Blueprint to End Homelessness* and the Abandon Homes Project. It is the mission of CD to identify measurable goals to be reached progressively throughout the plan's five year span.

One such goal is the implementation of the most recently released Analysis of Impediments to Fair Housing (AI). The new AI includes a number of "Action Items," some of which are set on a timeline. The City will tie the objectives of the AI to the *Consolidated Plan* by accomplishing proposed goals through the *Annual Action Plan*. During 2004, the City will publicize the AI and the actions it calls the City to complete. When offering the RFP for 2005 funding, the City will evaluate applications on the basis of how well a program achieves goals set forth by the AI.

While the City is not called to act on any goals in 2004, the AI does propose that the City begin to plan for the next five years. Thus, the coming year will be devoted to goal setting for the future, allowing both developers and non-profit project sponsors to identify objectives and work with the City to achieve them.

Monitoring

In the spring of 2003, the City hired a new position to monitor all HOME program rental projects. This position is charged with examining projects beyond the rehabilitation or construction stages to evaluate its long-term progress. By doing so, low-moderate income tenants are guaranteed decent, quality housing. Project compliance is determined with the three-part inspection: 1) Physical Inspection; 2) Tenant File Monitoring and 3) Rental Re-certification. During the physical inspection, rental units are ensured to be safe and sanitary for all tenants. Tenant files are checked for compliance with fair housing and equal opportunity housing laws and the rental re-certification phase ensures the project is in compliance with the HOME affordability period as well as all other HOME regulations.

In 2004, the City's will begin to closely monitor HOME rental projects such as Wheeler Arts, Broad Ripple Lakes and Mapleton-Fall Creek Reclamation Project I.

Project Sponsors are monitored to ensure their particular program or project is operating within the guidelines of their contractual agreement with the City. This agreement instructs that the program meet production goals, complies with all federal grant regulations regarding implementation and administration of the program, uses funds in a timely manner and engage in eligible activities. HOME program coordinators also use the monitoring visit to determine if all CHDO's are in compliance with HOME regulations.

After the on-site visit, the City will issue a letter outlining any findings or concerns. Each organization is given an opportunity to respond to those issues and if needed, City staff will revisit the organization to make certain recommended changes were made. If all issues are resolved, the City will issue a second letter stating that fact and render the monitoring closed.

Enhancing Coordination

CDBG and HOME Project Sponsor monitoring has been reduced largely as a result of enhanced coordination. Grant teams have been working to minimize intrusive monitoring visits by the City by coordinating schedules, thereby reducing visits to Project Sponsors with multiple grants to once a year. Thus, the time invested by grant teams and Project Sponsors for monitoring has dramatically lessened as well. Several Community Development Corporations (CDCs) have been awarded multiple grants ranging from CDBG Homeowner Repair to new home construction with HOME dollars. Award recipients of ESG, HOPWA and/or CDBG Public Service funding also receive only one visit with this effort, which will continue in 2004.

As mentioned in the institutional structure section, in 2004, CD will be working with the Division of Planning on the next *Consolidated Plan*. Due to economic downturn, the City has begun to reduce spending by cutting administrative expense, making more federal funding available for services and projects to help low-moderate income Indianapolis residents. The end result will mean greater cooperation among City divisions to create a single plan with specific goals for the City's development and an increase in services provided to Marion County residents.

Special Urban Initiatives



Keystone Enterprise Park

Keystone Enterprise Park (KEP), one of the City's more recent economic development projects, is now more than 50 percent complete. Work in the northern-most half of the Park has been finished, with the addition of utilities and a detention pond. A new road is scheduled to be finished in late fall 2003. There are still four homes to be purchased on the KEP site, and it is expected that sales will be closed and homeowners relocated by the end of 2003. The third and final phase of KEP development will be completed in June 2004, which includes the completion of a drive loop for prospective tenants. Other 2004 projects include final demolitions, earthwork, utility work and the removal of cross streets within the Park.

KEP will receive slightly more than \$1.4 million dollars of CDBG funding in 2004, making a total CDBG investment of \$6.8 million dollars since 1998. This year the City will apply \$600,000 of that funding towards the repayment of a Section 108 loan used to finance activities undertaken at the Keystone site. Located in the City's designated *Enterprise Zone*, KEP is expected to bring not only businesses, but also employment opportunities to an area in need of economic revitalization.

Unsafe Buildings

The Unsafe Building Program, an ongoing project funded primarily with CDBG dollars, works to eliminate slum and blight by securing and or removing vacant and unsafe buildings from Indianapolis neighborhoods. During fiscal year 2004, the Unsafe Buildings Program will receive approximately \$2.1 million of CDBG funding to continue operations.

Operated under DMD since 1992, the program's goal is to not only take steps to remove and secure vacant and unsafe structures but to also make property owners accountable for property neglect. Measurable outcomes of the project are determined by the total number of structures boarded/ or demolished by the City and property owners. Statistics are tracked on a monthly and annual basis. In 2002, 440 demolitions were performed, 223 by the City and 217 by property owners. The City boarded 2,043 openings that same year, with property owners completing another 471. There were also 886 repair orders issued in 2002, resulting in 680 structures being brought into compliance. As of June 30, 2003, the City had completed 82 demolitions while owner demolitions were numbered at 123. It is anticipated that nearly 4,000 unsafe units will be addressed in 2004.

Fall Creek Place

Indianapolis' Homeownership Zone, *Fall Creek Place* (FCP), continues to progress, with project completion slated for the end of 2004. Infrastructure has been completed in phases one and two, with phase three work having begun in August 2003. Of the 161 FCP homes completed, fifty-six percent have been sold to low- and moderate-income homebuyers.

In 2004, the City should see the finalization of all FCP housing units, infrastructure and parks. At completion, the project will have produced over 375 homeownership opportunities in what was once one of Indianapolis' most crime and poverty-affected neighborhoods. Construction of the live/work units at 25th and Delaware and the commercial development at 22nd and Delaware will be complete in the coming year, further realizing the project's mission "to transform a blighted inner-city area into a thriving and safe neighborhood."

Neighborhood Revitalization Strategy Area

In 1996, the City received a Neighborhood Revitalization Strategy Area (NRSA) designation. That area, which was expanded in 1999 to become synonymous with the areas known as the Indianapolis Enterprise Community and proposed Empowerment Zone, is illustrated in Map 2.

The NRSA designation allows the City additional flexibility in investing federal funds into some of Indianapolis' neediest areas. 2004 will include investments in the NRSA to achieve the goals identified below.

GOAL	STRATEGIES	2003 BENCHMARKS
Preserve Homeownership	◆ Rehabilitate owner-occupied homes	65 units repaired
Increase Homeownership	◆ Acquire and rehabilitate units for sale ◆ Create new units for sale ◆ Provide direct homeownership assistance	2 units rehabilitated 100 units created 50 homebuyers assisted
Increase the supply of viable rental housing	◆ Provide gap financing for low-income housing tax credit projects	100 rental units created
Eliminate unsafe buildings and sites	◆ Improve, demolish and/or secure unsafe buildings	1,000 buildings addressed
Support capital and enterprise development	◆ Support economic development initiatives	75 jobs created
Aid supportive service activities	◆ Assist organization providing senior, youth, employment and other supportive services	3,000 people served

Citizen Participation



The involvement of Marion County citizens is both important and necessary in successfully serving the needs of the community. Ideas and concerns expressed by the are welcomed and encouraged as the City develops its strategy to provide the most effective and comprehensive programs to serve all Indianapolis residents.

The Department of Metropolitan Development (DMD) and its Division of Community Development (CD) recognize the importance of community involvement in its efforts to create and maintain thriving communities. In preparation for the *Annual Action Plan* process, CD staff held forums throughout the Indianapolis area to solicit public input regarding the City's use of federal dollars in 2004. Through the completion of neighborhood surveys and open discussion, CD staff was able to pinpoint issues of specific concern to community members and have used that information to create a guideline for community development in the coming year.

At each forum, staff explained the various entitlement grants and their eligibility requirements. Participants were given an opportunity to discuss their concerns and asked to complete a neighborhood survey. Respondents were asked to rank topics from lowest to highest priority (1-5, respectively).

The survey, which also asked respondents to list the issues they believed to be most prevalent to their community, was made available not only to those who visited the forums, but also at indygov.org. Approximately 30 percent of the 483 surveys returned were submitted online.

Locations for each of the five forums were selected by CD staff to encourage the participation of the most demographically diverse set of respondents. Maps 3 and 4 display both the locations of the forums and addresses of survey respondents.

Resources



In 2004, the City anticipates receiving approximately \$17.3 million in federal resources for its four entitlement grants--CDBG, HOME, ESG and HOPWA. To maximize the benefits of these dollars, it is important to leverage funds with other public, private, state, local and in-kind dollars. In fiscal year 2004, the City of Indianapolis anticipates leveraging 133% of funds for programs that work towards goals set forth in the *2000-2004 Consolidated Plan*. The table below illustrates the allocation of funding and the amount of leveraging for each goal.

Annual Action Plan Goal	Entitlement	City Dollars	Project Sponsor	Other Funds	Total Leverage Dollars
Preserve Homeownership	\$ 2,453,375	\$ -	\$ 737,500	\$ -	\$ 3,190,875
Increase Homeownership	\$ 4,638,000	\$ -	\$ 951,400	\$ 7,133,163	\$ 12,722,563
Increase Supply of Viable Rental Housing	\$ 732,500	\$ -	\$ 6,200	\$ 4,793,180	\$ 5,531,880
Eliminate Unsafe Buildings & Sites	\$ 2,238,300	\$ -	\$ -	\$ -	\$ 2,238,300
Support Capital & Enterprise Development	\$ 4,213,800	\$ 737,596	\$ 607,500	\$ -	\$ 5,558,896
Aid Supportive Service Activities	\$ 1,394,430	\$ -	\$ 1,911,481	\$ -	\$ 3,305,911
Support Special Needs Housing	\$ 1,131,470	\$ -	\$ 2,760,628	\$ 3,400,905	\$ 7,293,003
Support Neighborhood Empowerment	\$ 60,000	\$ -	\$ -	\$ -	\$ 60,000
Total	\$ 16,861,875	\$ 737,596	\$6,974,709	\$15,327,248	\$23,039,553

2004 Activities



In June 2003, the City released an application for organizations interested in CDBG, HOME, ESG and HOPWA funding for the year 2004. Using criteria developed through feedback obtained through the citizen participation process and the goals outlined in the *2000-2004 Consolidated Plan*, the City evaluated 121 applications to determine which projects would most closely meet the priorities set by Indianapolis communities. The following pages contain a detailed summary of the organizations recommended for funding as well as the activities each will perform with the help of federal dollars allocated by the City of Indianapolis.